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CONGRESSIONAL RECORD — SEN

of its defense dollars if relatively more money was invested in improved U.S. ship and aircraft maintenance and readiness programs, and relatively less to new ship-building and aircraft-building, especially at the more expensive end of the high-low mix of ships and aircraft.

An "Efficiency" Defense Budget the same size of that currently requested, but designed with these principles in mind, would yield a far more potent and suitable U.S. defense force.

OPTION 3: MATCHING DEFENSE FORCES TO FOREIGN POLICIES

Adopting the EFFICIENCY Defense Budget outlined in this study will not save money but will add additional defense muscle where it is needed most. Adopting the ECONOMY defense Budget outlined here would save \$8,537.9 million and still provide an adequate and strong defense force.

Adopting a different foreign policy generates different kinds of defense forces to support it. We have examined the different kinds of TACAIR, seapower, and defense manpower forces needed for each of four foreign policy options:

- (1) A Pax Americana Foreign Policy
- (2) The Present Foreign Policy of the U.S.
- (3) A Pacific Pullback/Europe-First Foreign Policy
- (4) A General Retrenchment U.S. Foreign Policy

How much should be spent on defense to implement each of these? What kind of forces are needed for each?

PAX AMERICANA

This foreign policy would require a very strong and larger defense force. The U.S. Navy would be built to a level of 650 ships with as many as 25 aircraft carriers and matching escorts. The Navy would swell to 800,000 people and the Marines to 250,000. Naval forces would be assigned in strength to every ocean in the world. A Pax Americana military force would also maintain 30 active Army divisions, 5 active Marine divisions, 45 tactical Air Force wings, 25 Navy carrier wings, and 5 Marine air corps wings. U.S. strategic force levels need not be changed significantly to support a foreign policy of Pax Americana since a massive U.S. strategic force to deter aggression is already in place. A Pax America military force would cost as much as twice what the U.S. now allocates to the Defense budget, an estimated dollar cost of roughly \$220 billion per year with nearly 4 million persons in uniform and 2 million defense civilians working full time for DoD.

PRESENT POLICY: STATUS QUO

Present U.S. foreign policy commitments could be supported by a budget similar in dollar size to the U.S. Defense budget simply by adopting the administration program. Or a somewhat smaller defense budget with the suggested cuts laid out would give an economical but still impressive defense program to the country.

Present policy could be supported by an "economical" defense program costing \$8,537.9 million less than the original FY 1977 Defense Department request. Still another legitimate defense posture used to support the present policy might be what would be termed an "efficient", if not economical, defense posture. In the efficient posture the \$8,537.9 million saved from the "soft" programs would be plowed back into more reasonable defense programs such as PGMs, anti-tank weaponry, improved TACAIR programs, and greater readiness and maintenance programs.

PACIFIC PULLBACK/EUROPE FIRST

This kind of foreign policy would require a defense establishment consisting of a 400 ship Navy, an overseas force reduced in size by 72,000 consisting of withdrawals from

Korea and scaledowns elsewhere over five years. Pacific bases would be withdrawn from Korea and a naval scaledown in the Far East would occur. Once completed such a policy would save \$720 million annually in manpower costs and \$7,400 million in Navy-Marine costs yearly. U.S. Naval forces would be centered around nine attack carriers at their core. Scaledowns in naval tactical airforces and tactical air units in the Western Pacific region would also allow annual cost savings of roughly \$1,000 million per year once accomplished. European forces under this policy would remain similar to the present deployments. Overall this policy in fiscal terms would mean defense expenditures cuts of \$9,120 million based on foreign policy changes alone. This, of course, could be combined with the "economy" cuts of \$8,537.9 million described under the present foreign policy to produce an annual total savings of \$17,657 million dollars in defense expenditures. Conversely, these resources could be diverted to building a stronger European force should that be necessary to maintain the military balance there under such a policy of "Europe First."

GENERAL RETRENCHMENT

A policy of general retrenchment would involve a major pullback of U.S. forces from both Europe and the Western Pacific. This policy would require far fewer forces than Pax Americana, the Status Quo, or Pacific Pullback Policies and would also require less of a defense budget investment. Under a general retrenchment policy the U.S. Navy would still retain 400 ships, nine attack aircraft carriers, and 342,000 Navy people as well as 126,000 Marines. This would represent 82 fewer ships than we now maintain and 40% fewer people. The Navy budget would thus be in the neighborhood of \$28.5 billion in current dollars, down \$8,900 million from the current Navy budget. Tactical airforces could also be confined to the United States or token deployments abroad with 20 of the 4 TACAIR wings withdrawn and demobilized for a savings estimated at \$12 billion in current dollars each year after such action was taken. Such a general retrenchment policy would also permit a return and demobilization of 172,000 land-based troops from Europe and Asia at a cost savings of at least \$2.0 billion per year once the transition costs have been paid. Strategic forces would remain at present levels for the purpose of deterrence of direct attacks on the United States.

Changing to a foreign policy of general retrenchment would thus require a significantly smaller defense establishment abroad. It would signal far less dependence on the military power and other advantages secured by tight alliances. The defense expenditures for such a policy would be \$22.9 billion less than that needed to maintain the present foreign policy—this based solely on foreign policy changes. If the "economies" also identified in the present defense budget were taken an additional \$8,537.9 million might be saved. Thus, a foreign policy of general retrenchment might lead to savings in excess of 31 billion dollars in defense expenditures.

SUMMARY

Overall, U.S. defense costs would vary in the following ways depending upon the foreign policy option elected and whether one adopted an "Efficiency" or an "Economy" budget for the Department of Defense.

Fiscal year 1977 defense expenditures

Foreign policy adopted

1. Present U.S. Policy.
2. Pax Americana Policy.
3. Pacific Pullback/Europe-First Policy.
4. General Retrenchment Policy.

Efficiency budget

1. \$116.4 Billion (\$114.2 + 2.2B in payroll added).

2. \$220.0 Billion (rough estimate) (extra cost: \$104 Billion).

3. \$107.3 Billion (foreign policy cuts alone) (savings: \$9.1 Billion).

4. \$93.5 Billion (foreign policy cuts alone) (savings: \$22.9 Billion).

Economy budget

1. \$107.66 Billion (\$8,537.9 million saved).

2. Not applicable (all kinds of forces purchased with hedges built into budget).

3. \$98.8 Billion (foreign policy + economy cuts) (savings: \$17.6 Billion).

4. \$85.0 Billion (foreign policy + economy cuts) (savings: \$31.4 Billion).

In conclusion, we allow the reader to draw his own conclusion as to the correct foreign policy for the United States and whether to elect the economy or efficiency versions of the Defense budget. It is also our firm conclusion that there should be no rubberstamping of the FY 1977 defense budget or of any automatic cost-of-living raise in military and DoD civilian pay for FY 1977. We conclude that even if the current U.S. foreign policy is adopted, either \$8,537.9 million should be reinvested in programs that make more sense such as those identified in option 2 or \$8,537.9 million should be saved the taxpayer or invested in other more useful government programs. Both the economy and the efficiency budget options make more sense than the proposed FY 1977 budget now before the Congress.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

PROPOSED STANDING COMMITTEE ON INTELLIGENCE ACTIVITIES

The PRESIDENT pro tempore. Under the previous unanimous-consent agreement, 11 a.m. having arrived, the Senate will now resume consideration of the unfinished business, Senate Resolution 400, which will be stated by title.

The second assistant legislative clerk read as follows:

A resolution (S. Res. 400) to establish a Standing Committee of the Senate on Intelligence Activities, and for other purposes.

The Senate resumed the consideration of the resolution.

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the amendment offered by the Senator from Texas (Mr. TOWER) and the Senator from Mississippi (Mr. STENNIS), with a time limitation of 3 hours thereon, and with a vote thereon to occur at 2 p.m.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Texas (Mr. TOWER), for himself, Mr. STENNIS, Mr. GOLDWATER, and Mr. THURMOND, proposes an amendment numbered 1649.

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TOWER. Who has control of the time in favor of the amendment, and who has control of the time in opposition?

The PRESIDENT pro tempore. Senators RIBICOFF and STENNIS are in control of the time.